

**ILLINOIS COMMERCE COMMISSION**

**DOCKET NO. 00-0583**

**PREPARED DIRECT TESTIMONY OF**

**MICHAEL W. TATLOCK**

ILLINOIS COMMERCE COMMISSION  
JUL 3 11 13 AM '01  
CHIEF CLERK'S OFFICE

1 1. Q. Please state your name, business address, and present position.

2 A. Michael Wayne Tatlock, 500 S. 27<sup>th</sup> Street, Decatur, Illinois 62521. I am  
3 currently the Area Engineering Supervisor in the Mt. Vernon service area.

4 2. Q. Please summarize your educational background and professional  
5 experience.

6 A. I graduated from the Rose Hulman Institute of Technology with a  
7 Bachelor of Science Degree in Electrical Engineering in 1985. In  
8 November, 2000, I obtained certification as a licensed professional  
9 engineer for electrical engineering and in December of 2000, I obtained  
10 certification as a power quality professional. Prior to my current position,  
11 I have held a number of positions in the engineering field for Illinois  
12 Power. In April of 1997 I was promoted to Area Engineer Supervisor in  
13 the Mt. Vernon service area.

14 3. Q. Have you previously testified before the Illinois Commerce Commission  
15 ("Commission")?

16 A. No.

17 4. Q. In addition to your prepared testimony in IP Exhibit 3.0, are you  
18 sponsoring any other exhibits?

19 A. Yes. IP Exhibits 3.1 through 3.13.

20 5. Q. What is the purpose of your testimony?

21 A. In my testimony, I discuss the dispute between Illinois Power and  
22 Southeastern relative to the service of a new customer, Sugar Camp Coal,

23 L.L.C., in Illinois Power's service territory. First, I will provide  
24 background information. Second, I will establish the location of the  
25 Willow Lake Coal Portal No.3 exists within the Illinois Power service  
26 territory. Third, I will establish that Illinois Power has the exclusive right  
27 to serve this customer. Fourth, I will provide the Illinois Power estimate  
28 for costs related to construction of the facilities to serve Willow Lake Coal  
29 Mine Portal No. 3.

30 I. BACKGROUND

31 6. Q. Are you familiar with the dispute between Southeastern and Illinois Power  
32 relative to the service to the Willow Lake Coal Mine Portal No. 3?

33 A. Yes.

34 7. Q. How did you become involved with this dispute?

35 A. On February 18, 2000, Dennis Oliver, engineer for Sugar Camp Coal,  
36 L.L.C., delivered a correspondence which is identified as "IP Exhibit 3.1".  
37 In that correspondence, he indicates he is summarizing the meeting that he  
38 attended on behalf of his employer earlier that day.

39 8. Q. Did you attend that meeting?

40 A. Yes. On February 18, 2000, I attended a meeting between Illinois Power  
41 and Coal Miners, Inc. Also present at that meeting were Greg Albritton of  
42 Illinois Power, and Gene Lynn McGregor, President of Coal Miners, Inc.,  
43 Ken Ford, Maintenance Director of Coal Miners, Inc. During our meeting,  
44 we learned that Coal Miners, Inc. is a sub-contractor operating mines for

45 Sugar Camp Coal, L.L.C. based in Evansville, Indiana and that Sugar  
46 Camp Coal, L.L.C. was owned by Peabody Coal and Black Beauty Coal  
47 Companies. Coal Miners, Inc., on behalf of Sugar Camp Coal, L.L.C.  
48 requested Illinois Power to provide a 69 kV transmission service delivery  
49 to the new Willow Lake Coal Portal No. 3 planned to be constructed near  
50 the center of Section 1, Township 9 South, Range 7 East in Saline County,  
51 Illinois.

52 9. Q. Did the representatives of Coal Miners, Inc. and Sugar Camp Coal, L.L.C.  
53 discuss any of the specifics of the service required?

54 A. Yes. Representatives of Coal Miners, Inc. informed Illinois Power that an  
55 estimated coincidental peak demand of 15 MW was necessary. Coal  
56 Miners, Inc. also indicated that they were aware there would be a cost  
57 associated with the construction of the transmission line and Coal Miners,  
58 Inc. preferred to spread the cost over the monthly billings.

59 10. Q. In addition to the February 18, 2000 correspondence, did you receive any  
60 other documents?

61 A. Yes. Attached hereto as "IP Exhibit 3.2" is one copy of the proposed  
62 power line and power drop to the underground line as proposed by the  
63 customer. The proposed line shows an interconnection to the  
64 Ameren/CIPS 69 kV line.

65 11. Q. What, if anything, did you do with the information gathered from Sugar  
66 Camp Coal, L.L.C.?

67           A.     I conferred with several representatives of Illinois Power to determine  
68                   whether or not the customer would be served by Illinois Power or  
69                   Southeastern. We determined that the location Willow Lake Portal No. 3  
70                   is located within the service territory of Illinois Power and not  
71                   Southeastern. In addition to that, we contacted Ameren/CIPS in order to  
72                   determine whether their 69 kV line could withstand a tap for service of the  
73                   new additional load.

74    12.    Q.     Did you ever receive a response from Ameren/CIPS?

75           A.     Yes. We were informed by a representative of Ameren/CIPS that the 69  
76                   kV line could adequately supply the customer's load up to 15 MW.

77    13.    Q.     With regard to the dispute between Southeastern and Illinois Power, what  
78                   did you do, if anything?

79           A.     Initially, I contacted Robert Perkes, Illinois Municipal & Cooperative  
80                   Relations Manager in Decatur, in order to confirm whether we were  
81                   required to provide Southeastern with notice that we had received a  
82                   written request for service from a potential customer located west of Route  
83                   1. Mr. Perkes agreed that Illinois Power should notify Southeastern of  
84                   Illinois Power's intention to serve the new customer, Sugar Camp Coal,  
85                   L.L.C.

86    14.    Q.     Did there come a point in time when you learned that Sugar Camp Coal,  
87                   L.L.C. and its interest in mining the Willow Lake Coal Mine Portal No. 3  
88                   had been purchased or acquired by another company?

89           A.     Yes. In the spring of 2000, we learned that Arclar Company may have  
90                   acquired the interest in mining at Willow Lake Coal Mine Portal No. 3 in  
91                   Illinois Power's service territory. At or about that same time, we also  
92                   learned from Ameren/CIPS that we had the approval to add the new  
93                   customer load to the Ameren/CIPS 69 kV line.

94    15.    Q.     In May of 2000, did you also discuss temporary service to the new  
95                   customer within Illinois Power's service territory?

96           A.     Yes. I spoke with representatives of the customer concerning temporary  
97                   power and further investigated that issue.

98           II.     LOCATION OF CUSTOMER'S PROPOSED SUBSTATION.

99    16.    Q.     Can you describe the territorial boundary lines between Illinois Power  
100                   and Southeastern involved in this dispute?

101          A.     Yes. The Service Area Agreement ("SAA") entered into on March 19,  
102                   1968 establishes in Section IV that "each party shall have the exclusive  
103                   right to serve all customers whose electric service points of delivery are  
104                   located within its service areas and neither party shall serve a new  
105                   customer within the service areas of the other party, provided, however  
106                   ..." Attached hereto as "IP Exhibit 3.3" is a copy of the Southeastern  
107                   map establishing the Electric Supplier Act ("ESA") boundary line in  
108                   purple ink. Illinois Power agrees with the depiction of the ESA boundary  
109                   line relative to those sections identified in IP Exhibit 3.3. Attached hereto  
110                   as "IP Exhibit 3.4" is one copy of the map attached to the SAA. Illinois

Power also agrees with the depiction of the proposed sub-station site located in Section 1, which reflects a point of delivery in Illinois Power's territory. I do not believe there is a factual dispute as to whether the sub-station site is located within Illinois Power's territory, as delineated in the SAA.

III. SERVICE RIGHTS TO SERVE THIS CUSTOMER.

17. Q. Have you been able to establish whether Illinois Power has served any premises or property located within Sections 1, 7 or 12, Township 9 South, Range 7 East, Cottage Township, Saline County, Illinois prior to or after the effective date of the Service Area Agreement?

A. Yes. Attached hereto as "IP Exhibit 3.5" is one copy of the IP Primary Circuit Map. Exhibits 3.6 through 3.8 are copies of the IP section maps for Sections 1, 7 and 12. "IP Exhibit 3.9" consisting of two pages reveals the current IP distribution lines in Sections 1, 7, and 12. Each of these exhibits reveals five digit numbers which represent transformer identification numbers. Each of these numbers correspond to IP transformers which have been energized in order to provide electric service to IP customers. Attached hereto as "IP Exhibit 3.10" are copies of the Illinois Power Company Transformer Station Records. These maps and Transformer Station Records have been maintained by IP in the normal course of business and represent business records.

IP exhibit 3.10 establish the dates upon which the respective transformer was energized. The following represents the date the respective transformer was energized:

Transformer Station Record	Service Commencement
80900 (Section 1)	April 21, 1959
81471 (Section 1)	June 16, 1978
80934 (Section 1)	April 1, 1963
81929 (Section 1)	May 14, 1981
80724 (Section 12)	January 4, 1991
80725 (Section 12)	October 31, 1995
81198 (Section 12)	July 29, 2000
80726 (Section 7)	January 10, 1996
80081 (Section 7)	1982
80732 (Section 7)	November 3, 1973
80891 (Section 7)	July 13, 1993
81453 (Section 7)	August 9, 1973
82289 (Section 7)	

By way of illustration, transformer 80900 located in Section 1 was installed on April 21, 1959, to serve electric energy to a house on that property beginning on that date and continuing until February 27, 2001. Service at transformer 80934 commenced on April 1, 1963 and is still active.



154 18. Q. As of July 2, 1965, did Illinois Power have any distribution lines in  
155 Sections 1, 7 or 12. Township (South, Range 7 East, Cottage Township,  
156 Saline County, Illinois.

157 A. Yes. "IP Exhibit 3.4", establishes that IP had at least one 12 kV power line  
158 constructed in Section 1, Township 9 North, Range 7 East, Cottage  
159 Township in Saline County, and Southeastern did not have any  
160 transmission or distribution lines constructed. The area of the proposed  
161 substation is highlighted in yellow. IP Exhibit 3.10 establishes that IP  
162 served at least two residences on July 2, 1965 in Section 1.

163 In addition, V.W. Wargel owned real estate located within the Southeast  
164 Quarter of Section 1 and the Northeast Quarter of Section 12, Township 9  
165 North, Range 7 East, Cottage Township, Saline County, Illinois. It is my  
166 understanding that Mr. Wargel will testify that his residence, which he  
167 acquired from his father, has been served by Illinois Power since his father  
168 paid the required deposit of \$5.00 on June 22, 1933. Attached as "IP  
169 Exhibit 3. 11" is one copy of the Certificate of Deposit dated June 22,  
170 1933.

171 19. Q. Has IP acquired any interest in Certificates of Convenience and Necessity  
172 from the Commission?

173 In addition, Illinois Power has acquired an interest and holds a Certificate  
174 of Convenience and Necessity from the Illinois Commerce Commission.

175 In Illinois Commerce Commission Docket No. 4494, the Commission

awarded a Certificate of Convenience and Necessity to Saline Electric Company. Illinois Power subsequently purchased the assets of Saline Electric Company and now owns title to the Certificate of Convenience and Necessity. Attached as "IP Exhibit 3.12" is one copy of the Certificate of Convenience and Necessity. The Certificate authorizes the construction and operation of a transmission line and distribution system through Sections 1, 7, and 12, Township 9 South Range 7 East, Cottage Township, Saline County, Illinois.

20. Q. Has Illinois Power assisted in creating demand for the proposed service?

A. Yes. Illinois Power has contributed to economic development with membership in the local Chamber of Commerce and involvement with Main Street Eldorado, Boy Scouts and Illinois Coalition, a children's camp.

IV. ESTIMATED COSTS OF CONSTRUCTION FOR FACILITIES TO SERVE WILLOW LAKE COAL MINE PORTAL NO. 3.

21. Q. Do you have an estimate as to the cost for the construction of facilities to provide permanent service to Willow Lake Coal Mine Portal No. 3?

A. Yes. The following is a breakdown of the loaded costs associated with construction.

9600 KVAR of capacitance to be added	\$175,000
Modification/tap of Ameren/CIPS 69 kV line	23,000
Extend .8 miles of 69 kV to serve customer	162,663

198	Install 69 kV loadbreak at customer end	17,000
199	Install 69 kV loadbreak at tie in point to Ameren	17,000
200	Install 69 kV primary metering	22,000
201	Right of Way	<u>5,000</u>
202	TOTAL	\$421,663

203 22. Q. Has Illinois Power engineered its plan and profile for construction of the  
204 69 kV transmission line from the Ameren/CIPS line to the new customer's  
205 proposed substation.

206 A. Yes. Illinois Power is ready willing and able to begin construction of the  
207 required facilities to serve the new customer. Attached as "IP Exhibit  
208 3.13" and consisting of two pages is the IP plan and profile.

209 23. Q. Does that conclude your Direct Testimony?

210 A. Yes.

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